



Staff Report

REPORT ON FY 2005 PERFORMANCE BUDGET RESULTS

Honorable Mayor and Members of the City Council:

Summary

The City of Belmont has implemented performance budgeting as a component of an overall effort to improve services known as the Service Delivery Initiative. The attached report summarizes and analyzes the performance results for FY 2005. This is the second annual report on performance budgeting since all service areas have implemented it. This report reflects the changes made to the Performance Budget structure that the Council adopted on March 22, 2005. Staff recommends Council accept the Annual Report and results found in Attachment A.

Background

The Service Delivery Initiative (SDI) was adopted by the City Council in May 2001. The overall goal of SDI is for the City to be more of a customer-driven, results-oriented organization. Performance budgeting is one component of SDI (others are the Priority Calendar, staff work planning and evaluation, as well as an enhanced commitment to customer service and responsiveness).

On March 22, 2005, the City Council adopted a number of changes to the Performance Budget structure. The structure was simplified to include performance results for Service Areas only and many of the measures that had previously been included were removed to make the results more useful to the Council and Staff. With the changes adopted, the number of measures citywide had been reduced from 207 to 93. The revised Service Area structure includes the following:

1100	City Clerk	3200	Fleet Management
1300	Executive Management	3300	Transportation Services
1400	Information Services	5100	Parks and Open Space
1500	Financial Management	5300	Recreation Services
1600	Human Resources	6100	Housing
1700	Building Service	6200	Advanced Planning
2100	Police Services	6300	Development Services
3100	Environmental Services		

Discussion

As noted in previous reports, the most critical step in the Service Delivery Initiative is to *act*. Performance budgeting and the related on-going efforts afford our organization an opportunity to place a sharpened focus on service delivery, to establish a foundation for continuous improvement activities, and to increase accountability.

Results

The City is now in the next phase of performance budgeting, which includes annual reporting of results and fine-tuning the system, based on lessons learned. The report that follows details the results for the all of the Service Areas. Since this is only the second report, a complete reporting cycle, including base year and two comparator years, has transpired for only certain Service Areas (the “early adopters”). The remaining Service Areas have only the base year and one comparator year results available. Some measures have no data to report due to collection problems or delays in full implementation.

General Plan/Vision Statement

No impact.

Fiscal Impact

Information only. There is no fiscal impact.

Public Contact

The meeting was properly noticed and the Finance Commission will be discussing the item at their March meeting.

Recommendation

Accept the attached report and direct staff to return in March for a discussion of performance budgeting and the recommended changes.

Alternatives

1. Refer matter back to staff with direction.
2. Take no action at this time.

Attachments

- A. FY 2005 Performance Budget Annual Report

Respectfully submitted,

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